

Associate with 42213:

Mr. Thomas W. Lentz

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July 5, 1990

No deductible, however they do have
co-pay 20/80 split

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4. Our process for post payment recovery of pharmacy claims is to monthly have the system search the recipient third liability file for recipients with pharmacy coverage. Claims history is reviewed for these recipients and paid pharmacy claims over \$5.00 that were paid within the last month generate automatically a post-pay bill. At the time post-pay bills are produced, an accounts receivable record is established in the system and the claims are mailed monthly to the applicable insurance carriers as a request for payment up to the extent Medicaid has made payment. All replies (payments, denial, requests for more information) to these billings are delivered to the TPL Accounts Receivable clerk. The clerk determines the correct disposition action to the responses received and reconciles the accounts receivable or provides additional information to the insurance carrier.

See memo
to Mr. Lentz
7/11/90
Medicaid

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ATTACHMENT 4.22-B

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✓ Replacement Page 12-26-90

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State/Territory: KANSAS

Requirements for Third Party Liability-
Payment of Claims

The threshold amount used in determining whether to seek reimbursement from a liable third party health insurer is \$5.00. No accumulation is performed.

The threshold amount used for trauma-related cases from the fiscal agent (in relation to diagnosis codes 800 - 999 except for code 944.6) is presently \$1,000.00. Accumulation is performed on all claim types.

This threshold was determined by a study performed by the State. From a population of 1243 casualty cases closed in FY 89, a sample of 243 cases (19.5%) were reviewed. Of those cases reviewed, 116 had total medical expenditures between \$500 and \$1000. Of these 116 cases, 112 had no recovery and the other 4 cases had a recovery amount totalling \$2,286.56. The agency estimates that the cost per case for the 116 cases was \$86.56. Multiplying the 116 cases times the cost per case of \$86.56, and subtracting the recovery amount of \$2,286.56, and then dividing that result by the 116 cases indicates that it costs \$66.85 more than is recovered on the average to process cases between \$500 and \$1000.

Providers are not required to bill liable third parties when services covered under the Plan are furnished to an individual on whose behalf child support enforcement is being carried out by the Kansas Department of Social and Rehabilitation Services. A mechanism has been devised to eliminate printing of TPL information on the medical identification card, but automatically post pay bills all services rendered to IV-D children in accordance with their TPL coverage.

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